FOR IMMEDIATE RELEASE FRIDAY, NOVEMBER 17, 2006 WWW.USDOJ.GOV CRM (202) 514-2008 TDD (202) 514-1888

<u>FORMER ENRON EXECUTIVES MICHAEL KOPPER, MARK KOENIG</u> SENTENCED TO PRISON FOR THEIR ROLES IN ENRON FRAUD SCHEME

WASHINGTON – Former Enron Corp. executives Michael Kopper and Mark Koenig were sentenced to prison terms for their roles in the fraud scheme that led to the collapse of Enron, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

Kopper, a former managing director at Enron Corp., was sentenced today to three years and one month in prison by Judge Ewing Werlein of the U.S. District Court for the Southern District of Texas in Houston. Kopper pleaded guilty in August 2002 to one count of conspiracy and one count of money laundering. Kopper admitted participating with other Enron executives in a conspiracy against the company and its shareholders by creating an array of companies designed to disguise Enron's vulnerability to risk and financial loss.

Koenig, former Director of Investor Relations and Executive Vice President at Enron, was sentenced to 18 months in prison by Judge Werlein. Koenig pleaded guilty in August 2004 to aiding and abetting securities fraud. He admitted to participating in a scheme with Enron's senior management – including Kenneth Lay, Jeffrey Skilling, and Richard Causey – to provide false and misleading statements about the performance of two of Enron's core businesses, Enron Broadband Services and Enron Energy Services.

In addition to the prison sentences, both defendants were ordered to pay \$50,000 in fines. Kopper had previously agreed to forfeit \$12 million, and Koenig had previously agreed to pay approximately \$1.5 million through forfeiture and fines. Both defendants cooperated with the government's investigation into Enron's collapse.

Skilling, the former chief executive officer of Enron, was sentenced in October 2006 to 24 years and four months in prison on conspiracy, securities fraud and other charges. Former Enron CEO Kenneth Lay was also convicted on conspiracy, securities fraud and wire fraud charges, but died before sentencing. Causey, Enron's former Chief Accounting Officer, was sentenced earlier this week to 66 months in prison.

The investigation into Enron's collapse was conducted by the Enron Task Force, a team of federal prosecutors supervised by the Justice Department's Criminal Division and Special Agents from the FBI and Internal Revenue Service Criminal Investigation.

The Task Force received considerable assistance from the Securities and Exchange Commission. All outstanding Enron-related matters are now being handled by the Fraud Section of the Criminal Division.

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